Government Affairs
State Public Policy
Industry Information



Partnerships
Trade Services
Retailer Services

LABOR AND PUBIC EMPLOYEES COMMITTEE TESTIMONY By Stan Sorkin, President Connecticut Food Association January 29, 2015

TESTIMONY IN OPPOSITION TO HB No. 5124: AN ACT CONCERNING CONSECUTIVE WORKDAYS AND HOLIDAY PAY

The Connecticut Food Association (CFA) is the state trade association that conducts programs in public affairs, food safety, research, education and industry relations on behalf of its 240 member companies—food retailers, wholesalers, distributors, and service providers in the state of Connecticut. CFA's members in Connecticut operate approximately 300 retail food stores and 130 pharmacies. Their combined estimated annual sales volume of \$5.7 billion represents 75% of all pharmacies in Connecticut. CFA's retail membership is composed of independent retail food store sales in Connecticut. CFA's retail membership over 30,000 associates. The supermarkets, regional firms, and large multi-store chains employing over 30,000 associates. The majority of our members are family owned privately owned supermarkets. Our goal is to create a majority of our members are family owned privately owned supermarkets with surrounding states.

The Connecticut Food Association is opposed to H.B. No. 5124 for the following reasons:

Bryan DeVoe, the owner of Fitzgerald's Foods in Simsbury, when asked what was his major concern about the future of the grocery industry in Connecticut, stated, "Lack of support for retailers from politicians with regard to new laws effecting costs. The belief that store owners can continue to absorb extra costs...and unlike manufacturers we cannot pack up and move our business from CT."

This bill would increase cost of doing business in state and make Connecticut less competitive with other states in attracting new business. A growing labor cost structure would make it more difficult to compete with growing on-line merchants selling groceries such as Amazon who are not subject to these laws.

Unfortunately, over the past months, three long time independent stores- Bloomfield Sav-Mor, Ancona's Market (Ridgefield), and Roger's Marketplace (Kensington) have fallen victim to CT's business climate and have closed their doors.

The bill would hurt those employees which the drafters believed it would help. The gross pay of employees would be reduced as employers would manage hours to prevent paying overtime, especially as it applies to part-timers.

Government Affairs Partnerships

State Public Policy Trade Services

Industry Information Retailer Services

Moreover, most of our stores are unionized and the non-union businesses give the same benefits because they compete for work force. Work rules are based on negotiated contracts between unions and management. As a result, we offer good base pay, overtime pay, as well as holiday pay. We also offer 401k and health benefits. Language regarding overtime pay, consecutive days worked, Sunday and holiday pay should be part of union-management negotiations, not mandated by state law. Food stores are not the bad apple but get lumped in with other operations that do not offer benefits to their employees.